



PUBLIC AUCTION REAL PROPERTY FOR SALE

KENNEWICK 16 C

REAL PROPERTY SALE PAMPHLET NO. 45

The following State-owned real property is to be sold at public auction on the date, time, and place specified in the attached Real Property Sale Notice:

County	App. No.	Appraised Value & Minimum Acceptable Bid	Transaction Costs	Approximate Acres	Property Name	Auction Date
Benton	02-074592	\$375,000	\$7,500	33	Kennewick 16 C	May 24, 2006

Information about the parcel offered for sale has been obtained from sources considered reliable, but State makes no representations or warranties with respect to its accuracy.



REAL PROPERTY SALE NOTICE

Kennewick 16 C in Benton County

Notice is hereby given that at the time and place listed below the following described property, owned by the State of Washington and managed by the Department of Natural Resources (“State”), will be offered for sale at public auction to the highest bidder.

Property Description

The RL zoned Common School trust land comprising 32.84 acres, more or less, is located east of Highway 395, north of 36th Avenue and adjacent to the Canyon Lake Subdivision and Golf Course in Kennewick. The triangle-shaped parcel is flat to rolling and a 1700 sq. ft. metal-clad storage building with a 1,000 sq. ft lean-to are located at the northern tip.

Sale Location and Time: Sale will be by oral bid at public auction to be held on:

Date: May 24, 2006
Time: 1:30 p.m.
Location: USDA Service Center
Department of Natural Resources Field Office
1620 North Road 44, Pasco, WA

Directions: From I-182, merge onto US-395 via exit 12A Kennewick/Umatilla for 0.6 miles. Take Court Street exit and turn right onto W. Court Street. Turn right onto Road 44. The office is the fourth building on the left.

Specific terms and conditions of sale

The appraised value and minimum acceptable bid:	\$375,000
Administrative costs:	\$7,500
Initial bid deposit (due prior to auction)	\$37,500

Terms are cash only. Deposits are payable to the Department of Natural Resources and may be made in cash or by certified check, cashier’s check, postal money order or by a bid bond guarantee. If a bid bond is used, Purchaser shall pay the cash equivalent to State within ten (10) business days of the auction date in cash or by certified check, cashier’s check, postal money order, or other method acceptable to the Department.

The initial bid deposit shall be submitted at the place of auction *prior to the start of auction* (before 1:30 p.m.) on May 24, 2006. Deposits will be returned to the unsuccessful bidders at the conclusion of the auction. At the close of bidding, the successful bidder (Purchaser) is required to execute a Memorandum of Auction of Real Estate. A copy of the Memorandum of Auction of Real Estate is available upon request from the Olympia office. The balance of the purchase price and all other associated costs shall be due to the Department of Natural Resources at its Olympia main office as prescribed in the Memorandum of Auction.

Closing shall be as soon as practical for State to issue a quitclaim deed from the Governor’s office upon confirmation that the entire purchase price has been paid to the State Treasurer’s office. If the Purchaser fails to complete the purchase as required, the State shall retain the bid deposit and any accrued interest, not to exceed five percent (5%) of the purchase price, as liquidated damages for the Purchaser’s non-performance.

The terms of the sale are also posted in the Olympia and Ellensburg offices of the Department of Natural Resources, and in the Benton and Franklin County Auditor’s offices in the State of Washington.

For further information, including a copy of the Memorandum of Auction of Real Estate, please visit the DNR website at www.dnr.wa.gov or contact: Debi VanBuren, Program Manager at (360) 902-1599. Reference Kennewick 16 C.

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GENERAL BIDDING PROCEDURES FOR PUBLIC AUCTION OF STATE LAND

- * Each person wishing to bid must deposit with the auctioneer, prior to the time set for the auction, a bid deposit in the amount specified in the Real Property Sale Notice. Bidders wishing to submit bids as agents for purchasers must also furnish, at this time, a power of attorney or other appropriate proof of authority to act on behalf of Purchaser.
- * The bid deposit must be in the form of cash or certified check, cashier's check, U.S. postal money order or bid bond guarantee acceptable and payable to the Department of Natural Resources.
- * The bid deposit constitutes an opening bid at the appraised value, which is the minimum acceptable bid. No state-owned real property can be sold for less than its appraised value.
- * Bidding is limited to those who have made the required bid deposit, and to those acting as agents who have also submitted appropriate proof of authority to so act.
- * All bidding shall be done orally.
- * The successful bidder's deposit will be retained on the day of the auction and will be applied to the purchase price upon sale confirmation.
- * If the volume of sales prevents a sale from being offered on the advertised date, the sale shall continue on the next following business day, between the hours of 10:00 a.m. and 4:00 p.m.
- * Property is not sold "subject to purchaser obtaining financing." Purchasers must obtain their own financing.
- * Sale will be awarded to the highest bidder, subject to confirmation by State under RCW 79.11.175.
- * Unsuccessful bidders will have their bid deposits returned at the conclusion of the auction sale.
- * The successful bidder will be required to execute a Memorandum of Auction of Real Estate at the time of award of the sale.
- * State reserves the right to cancel the proposed public auction of any parcel of State-owned property at any time prior to the commencement of the auction.
- * All sales are governed by the terms and conditions contained in this Real Property Sale Pamphlet and the Memorandum of Auction of Real Estate. Purchasers become legally obligated to complete their purchases in accordance with these terms upon being awarded the sale by the auctioneer, subject only to confirmation pursuant to RCW 79.11.175.

GENERAL TERMS AND CONDITIONS OF SALE

Property, Conveyance and Title Insurance

In the event of a conflict between the terms set forth herein and the Memorandum of Auction, the Memorandum of Auction shall control.

- * The property to be sold is described in the Real Property Sale Notice.
- * All of State's interest as lessor or sublessor in any leases, rental, or occupancy agreements covering any portion of the property, and exclusive easements, rights of way, water rights, and other rights used in connection with the property will be conveyed unless the Real Property Sale Notice lists rights that will be reserved.
- * All property sold is subject to the provisions of RCW 79.36.370 relating to easements for removal of valuable material.
- * Oils, gases, minerals, etc., as described in RCW 79.11.210, are reserved from sale.
- * All property is sold subject to all assessments unpaid at time of sale.
- * All property is sold "**AS IS, WHERE IS.**" Bidders are encouraged to examine the property offered for sale to ascertain for themselves the condition of the property, and the existence, if any, of encumbrances, encroachments, etc. State does not make, and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, about property offered for sale, including, but not limited to any improvements located thereon, and no employee or agent of State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste prohibited by law or claims based thereon arising out of the actual or threatened discharge, release, disposal, seepage, migration, or escape of such substances at, from, or into any State land offered for sale. Purchaser shall fully release State from any and all liability to the Purchaser arising out of or related to the condition of the property prior to closing. Purchaser shall indemnify, defend, and hold harmless State with respect to, but not limited to any claims, damages, liabilities, penalties (civil and criminal), and any other costs, including attorney's fees and costs imposed or related to any hazardous, toxic, dangerous, or harmful substances on the property, deposited or released after closing.
- * State conveys title by quitclaim deed and shall arrange for the quitclaim deed to be executed by the Governor and recorded upon confirming that the State Treasurer has received the full purchase price and other payments required of the Purchaser.
- * State does not furnish title insurance.
- * Closing shall occur at the Department's Olympia office.
- * Purchaser must also execute any other documents necessary to consummate sale as provided herein.
- * Each Bidder agrees to execute a license in the form attached prior to entering Property for inspection purposes.

Confirmation

- * The State's obligation to consummate sales is subject to confirmation of sale by the Department as described in RCW 79.11.175.

Purchase Price and Payment

- * The purchase price consists of the amount of the winning bid, which will be at or above the appraised fair market value, and other charges as per the Real Property Sales Notice applicable to this sale.
- * Full payment of the purchase price shall be made in the form and within the time specified in the Real Property Sale Notice.

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Destruction or Condemnation

- * If on or before the date set for full payment of the purchase price, the property is either materially damaged, or condemnation proceedings are commenced with respect to the property, Purchaser shall have the right, at its sole election, by giving notice to State, either to terminate the purchase or to purchase the property. If Purchaser elects to terminate the purchase, the bid deposit will be returned to Purchaser and all rights and obligations of Purchaser and State shall terminate. If Purchaser elects to purchase the property, insurance proceeds, if any, or condemnation awards payable by reason of the damage or condemnation shall be paid to Purchaser.

Notices

- * Any notices given by State to the successful bidder shall be in writing and shall be deemed given upon personal service or deposit in the United States first class mail, postage prepaid, addressed to the bidder at the last address furnished by him or her in writing.

Prorations

- * State property is not subject to real property taxation. After the sale, this property may be subject to a proration of the current year's taxes.

Real Estate Commissions

- * State does not engage real estate agents in connection with public auction sales. Any real estate agent or broker acting in connection with any sale shall be deemed to be the sole agent of Purchaser, and Purchaser shall pay any real estate commission payable in connection therewith.

Assignment

- * No purchaser of State land may assign its purchase rights without the prior written consent and acceptance by State, which consent and acceptance State can withhold in its sole and absolute discretion.

Possession

- * The purchaser of State land is entitled to possession upon execution of the deed by the Governor, subject to any existing leases and rights of persons in possession of the property, unless otherwise noted in the Real Property Sale Notice.

Miscellaneous

- * Venue for any disputes involving auction sales shall be in Thurston County.
- * The representations, warranties, and obligations of Purchaser that are intended to be operative on and after conveyance in order to be fully effective shall be so operative and shall be deemed not to have merged in the deed.

This Real Property Sale Pamphlet is issued pursuant to RCW 79.11.130. Bidders may request a copy of the Memorandum of Auction of Real Estate, which contains the complete terms applicable to this sale.

For further information contact:

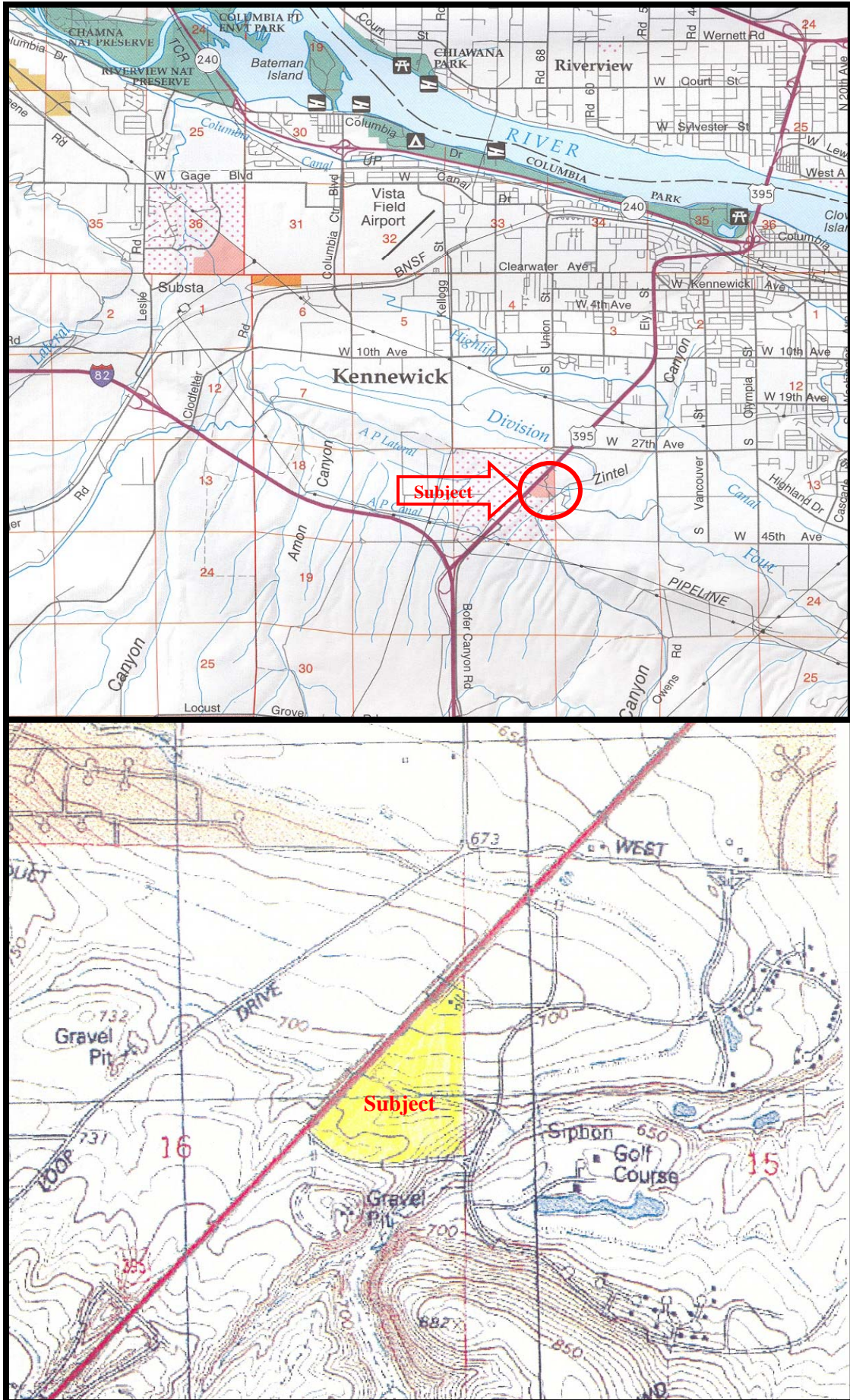
Debi VanBuren, Program Administrator
Washington State Department of Natural Resources
Asset Management & Protection Division
1111 Washington Street SE
PO Box 47014
Olympia, WA 98504-7014
Phone: (360) 902-1600 Fax: (360) 902-1789
E-mail: debi.vanburen@wadnr.gov
Reference: Sale Pamphlet No. 45

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WASHINGTON STATE DEPARTMENT OF
Natural Resources
Doug Sutherland - Commissioner of Public Lands

KENNEWICK 16 C



Within Section 16, Township 8 North, Range 29 East, W.M. in Benton County

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LIMITED LICENSE TO INSPECT PROPERTY

In consideration for the State granting _____ [name of bidder] (“Bidder”) the legal authority to enter the property legally described in the Real Property Sale Notice for the Kennewick 16 C property in Benton County, hereto (Property), for the purpose of inspecting Property prior to the auction of the same, the undersigned as principle, or as agent for the principle with full lawful authority to execute this license, agrees to defend, protect, save, and hold harmless the State, its officers, agents, and employees from any and all claims, liens or costs, damages, fees and expenses (including but not limited to attorney's and paralegal's fees, costs and expenses, including costs and fees incurred on appeal and in bankruptcy, as well as consultant's fees and costs) suffered due to the actions of Bidder and actions of Bidder's agents or employees in exercising such rights of entry or inspections under this License. Bidder will be responsible for the payment of any fines or penalties charged against the State or Bidder, or for any employees or equipment while under Bidder’s control, employment, or direction. This license limits the inspection rights to visual inspection only; there will not be any invasive testing methods used without additional written authority from the State.

Bidder:

Name

Title

Date

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